

**STATEMENT OF AMBASSADOR MAUREEN QUINN
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BEFORE THE U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON INTERNATIONAL RELATIONS
SUB-COMMITTEES ON MIDDLE EAST AND CENTRAL ASIA
AND OVERSIGHT & INVESTIGATIONS**

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Madam Chairman, Mr. Chairman, Members of the Committees, I would like to thank you for this opportunity to speak today about our progress in helping the nation of Afghanistan become a secure, thriving and stable democracy.

The Department of State is working with Afghan leaders and our partners in the international community to establish an Afghan government that is moderate and democratic, represents the responsible political elements in the country and formed through the participation of the Afghan people, capable of effectively controlling and governing its territory and borders, capable of implementing policies to stimulate economic and social development, and willing to contribute to a continuing partnership with the coalition in the global war against terrorism. We are contributing to the development of an Afghan society that is supported by vigorous and enlightened civil institutions, that respects the rights of all citizens, including minorities and women, and that has a thriving, legal private-sector economy. The United States is working to ensure that Afghanistan is never again a haven for terrorists, a major source of narcotics, a source of instability in the region or a major violator of human rights.

Afghanistan's success in the implementation of the political process outlined in the Bonn Agreement from 2001 to 2005 and the establishment of a constitutional, representative and effective government that embodies the aspirations of all Afghans are noteworthy achievements. Afghanistan's progress to date demonstrates that the sacrifices of the Afghan people, the commitment of the new leaders of Afghanistan, and the contributions of the United States and the international community are advancing us toward our goals.

In late January 2006, the international community renewed its security, political and financial commitments to Afghanistan by launching,

with the Government of Afghanistan (GOA), the Afghanistan Compact. At the London Conference, the Government of Afghanistan also launched its Interim-Afghan National Development Strategy (I-ANDS) and its updated National Drug Control Strategy. These three documents commit the Government of Afghanistan to reconstructing the country and improving the lives of the Afghan people while aggressively fighting the narcotics problem. We worked in close collaboration with the Afghan Government and other international partners to develop the Afghanistan Compact.

In London, Secretary Rice announced that since the last donor conference in Berlin, the United States had committed \$5.9 billion in reconstruction and security assistance to Afghanistan. The Secretary also announced the Administration's \$1.1 billion budget request for Afghanistan in FY 2007. These significant sums, alongside other examples of US-Afghan cooperation, such as our Strategic Partnership Agreement, are reflective of the long-term commitment the United States attaches to Afghanistan's future development. The U.S. has a direct national security interest in ensuring that Afghanistan is never again allowed to return to its former status as a sanctuary for terrorism, and the Afghanistan Compact is a blueprint designed to keep the country on the path to stability and self-sufficiency.

The international community strongly supports these efforts as well. In London, the international community pledged multi-year commitments of over \$10.5 billion over the five-year (March 2006-March 2011) Afghan National Development Strategy (ANDS).

Major new pledges from other donors include: UK (\$885 million), Japan (\$450 million), Asian Development Bank (\$1 billion), and World Bank (\$1.2 billion). Germany, the Netherlands, Spain, France, Norway, Sweden, Switzerland, Australia, South Korea, New Zealand, China, Turkey, India and Pakistan also made significant new financial pledges. These commitments, which exceeded the amounts pledged at the last donor gathering in Berlin two years ago, signal a deep commitment and a robust expression of international confidence toward Afghanistan's future.

Improving aid coordination, effectiveness and efficiency by both the Government of Afghanistan and the international community is also an area of renewed emphasis as we move forward. Through the Afghanistan Compact, Afghanistan, with the underlying support of the international

community, has a blueprint outlining benchmarks and timelines for progress in security, governance, economic and social development and counternarcotics. The Compact establishes a Joint Monitoring and Coordination Board that strengthens the coordinating role of the UN and aims to improve coordination and accelerate civilian assistance.

SECURITY

As the Afghanistan Compact states: “Genuine security remains a fundamental prerequisite for achieving stability and development in Afghanistan.” In the last few months we have seen an increase in violence, particularly the use of improvised explosive devices and suicide bombs. While these incidents are alarming and we are concerned that the violence may increase further, we are ready to face these challenges. As Afghanistan succeeds in strengthening its democracy, its institutions of governance and its security forces, Afghanistan will create a secure environment and be a major positive influence on the region. Afghanistan stands with us and our coalition partners in the war on terrorism.

The Government of Afghanistan has committed to ambitious, but in our view achievable, security targets in the Afghanistan Compact, including continued growth of the Afghan National Army and Police, the disbandment of illegally armed groups, and increased law enforcement capacity in counternarcotics. The Afghan National Army (ANA) is steadily coalescing into a national defense force and an important tool for President Karzai in his efforts to extend the reach of the national government and curb the power of local warlords and commanders. At about 26,500 strong, the ANA is an ethnically balanced force from all areas of Afghanistan. The force has successfully deployed to quell factional fighting in the north and the west, and has won praise for its capabilities fighting alongside Operation Enduring Freedom (OEF) troops against insurgents in the east and the south.

Operation Enduring Freedom, a multinational coalition military operation, continues to counter terrorism and bring security to Afghanistan in collaboration with Afghan forces. OEF involves troops from over 19 nations.

National, border, and highway police are being trained by the U.S.

and Germany to provide day-to-day security throughout the provinces and in Kabul. Over 60,000 have now completed at least basic training programs, and thousands more have gone through more advanced training courses in areas such as firearms, crowd control, criminal investigative skills, and domestic violence. Afghanistan and the international community are also committed to enhancing border security, which was highlighted in Doha, Qatar last week. Improved border security will reduce the illegal flow of people, arms, and narcotics. It will also increase the flow of customs revenues for the national government.

NATO leads the U.N.-mandated International Security Assistance Force (ISAF). By fall 2006, ISAF is expected to assume responsibility for security in southern Afghanistan. ISAF currently assists in maintaining security in Kabul, and operates nine Provincial Reconstruction Teams (PRTs) in the north and west: Konduz (German-led), Feyzabad (German-led), Mazar-e-Sharif (UK-led), Maimana (Norway-led), Herat (Italy-led), Farah (US-led), Qaleh-ye-Now (Spanish-led), Chaghcharan (Lithuanian-led) and Baghlan (Dutch-led). ISAF currently numbers about 8,500 troops from 36 NATO and non-NATO troop contributing nations.

The formal Disarmament, Demobilization, and Reintegration (DDR) process disarmed and demobilized more than 63,000 former combatants. In addition, about 97% of known heavy weapons have been collected and secured. Afghanistan, with international community support, embarked on the Disbandment of Illegal Armed Groups (DIAG) program in spring 2005. DIAG builds on the DDR process by seeking the disbandment of the remaining illegal armed groups. In addition, the Taliban reconciliation program, launched by President Karzai, continues throughout the country, offering amnesty and reintegration into society for Taliban fighters who have not committed serious crimes. Similarly, several key warlords have chosen to pursue political careers, including becoming members of the parliament, or have been weakened by President Karzai's increasingly assertive moves to marginalize them.

COUNTERNARCOTICS

One of the most significant challenges to progress in Afghanistan is the illicit narcotics trade. As a political challenge, it undermines Afghanistan's growing democratic institutions, fueling corruption and

criminal and anti-government activities. As an economic challenge, it diverts agricultural land and labor from more beneficial uses and undercuts the prospects for developing more sustainable livelihoods. As a social challenge, it sows the seeds of addiction, disease, and discord.

President Karzai and the Afghan Government have recognized the gravity of these challenges, as demonstrated by the National Drug Control Strategy presented at the London Conference and the new Afghan Anti-Narcotics Law that was enacted in December 2005. U.S. Department of Justice senior federal prosecutors worked with Afghan criminal law experts and coalition partners to draft this comprehensive counter-narcotics legislation that builds upon the former criminal law and adds a new regulatory structure for licit and illicit drugs, defines new crimes and a revised sentencing structure, authorizes the use of modern investigative techniques, and confirms the use of the 1988 UN Convention against Narcotics and Psychotropic Substances as an appropriate instrument for extraditions. A few months prior to passage of the legislation, the Government of Afghanistan applied the 1988 Convention as the basis for the extradition of major Afghan trafficker Haji Baz Mohammad to the United States. In addition, President Karzai signed a decree mandating that a Central Narcotics Tribunal have national jurisdiction over all significant narcotics cases. These cases are now being transferred to Kabul for adjudication. The Department of Justice prosecutors, along with our coalition partners, are providing advice and assistance to Afghan prosecutors and investigators working on these cases. The United States strongly welcomed these developments, and was also encouraged by the significant decline in opium poppy cultivation in 2005.

We are working hard with our Afghan partners to improve interdiction and law enforcement capacity. DEA, working with the Counternarcotics Police of Afghanistan (CNPA), seized 42.9 metric tons of opium and 5.5 metric tons of heroin in 2005. They also shut down 247 clandestine conversion labs and arrested or detained 32 individuals on charges related to these seizures. An additional 100-plus metric tons of opium and 30 metric tons of heroin were destroyed during operations of the Afghan Special Narcotics Force (ASNF), a group trained by the UK within the CNPA that has conducted some joint operations with the National Interdiction Unit (NIU). In addition, the NIU and DEA are targeting the command and control structures of the highest level narcotics traffickers. Just a few months ago the GOA extradited its first heroin drug kingpin to the United

States. The U.S. is also working on elimination and eradication programs which seek to reduce the level of poppy cultivation by convincing farmers not to plant poppy and by eradicating crops that have been planted. These programs have been substantially redesigned in 2005-2006. The U.S. and UK are deploying new Poppy Elimination Program (PEP) teams, which combine international advisors and employees of the Afghan Ministry of Counternarcotics, to the seven major poppy producing provinces (Kandahar, Nangarhar, Uruzgan, Farah, Badakhshan, Helmand, and Balkh). PEP teams will work with provincial officials to discourage poppy cultivation, monitor and assess levels of cultivation, conduct early eradication at the provincial level, and call in eradication teams when necessary. In order to provide Afghan farmers with opportunities outside of poppy cultivation, the U.S. has contributed \$321 million to support alternative livelihoods programs that support immediate needs and promote long-term rural development. These programs have generated more than 4.5 million workdays of employment for nearly 200,000 Afghans and have repaired 6,200 kilometers of irrigation canals benefiting 290,000 hectares of agricultural land.

The U.S. is supporting the Government of Afghanistan's efforts to eradicate opium poppy so that valuable agricultural land is not diverted to illegal crops. We welcome reports that governor-led eradication programs have already begun this season, and we encourage redoubled efforts by officials at all levels to ensure that Afghan soil yields produce that benefits both the Afghan people and their neighbors. We are also working with the international community to pursue opportunities for cooperation in areas such as trade, border management, and regional infrastructure integration, which can help stifle the drug trade and promote sustainable economic development across borders.

GOVERNANCE AND RULE OF LAW

Today, the men and women of Afghanistan are governing their own country and charting their own course to the future. The United States strongly supports the newly inaugurated Afghan National Assembly, Afghanistan's first elected legislature since 1969 and an institution which is absolutely central to the establishment of democracy, stability and independence for Afghanistan.

The Assembly has just finished forming legislative committees and refining procedural rules. Thus far, the tone of the National Assembly's debates are largely constructive, with members open to debate and to new ideas. The Assembly's first challenges as it gets down to business include votes on the executive decrees promulgated by President Karzai before the Assembly was seated, a vote of confidence on President Karzai's cabinet and consideration of the Afghan budget for the coming year.

The United States is providing training for Parliamentarians and their staff in media and constituency services, public finance, ethics, administration, executive branch oversight, computer literacy, and other areas vital for legislators. The United States is also sponsoring programs to facilitate dialogue between the national government and leaders at the provincial level. We are designing workshops in financial management, information collection and planning for the Provincial Councils.

Democratic governance is the cornerstone to political progress in Afghanistan. The Government of Afghanistan, with cooperation and assistance from the United States and other partners, is rebuilding and reforming permanent justice institutions, expanding civil and criminal capabilities of the Afghan judicial system, and supporting public demand for the rule of law.

Our civil law program: provided for construction or rehabilitation of 27 judicial buildings in 18 provinces with eight more under construction; provided court administration training; improved the capacity of the Ministry of Justice to draft laws; assisted the Supreme Court with computerization of personnel records, improvements in personnel and court organization, rehabilitation of Court premises, and technical assistance to enable the Court to manage judicial training; investigated the customary/shura system in order to inform programming decisions; and developed public service campaigns to educate the public about the constitution, their rights under it, and the court system.

The challenge of strengthening a legal economy with opportunities for all Afghan people should not be underestimated. Good governance begins with a transparent legal framework, where all entrepreneurs -- men and women -- can compete in a flourishing private sector. A transparent set of laws that are equitably implemented is also one of the best weapons against corruption.

Democracy, good governance and human rights reinforce each other. The Afghanistan Compact lays out a blueprint of measures in these areas that responds to the demands of the people and lays the ground work for justice, security, and opportunity. The Compact starts with strong measures for public administration reform, an area where the United States plans to expand its assistance over the next few years. The Compact outlines measures to promote human rights, especially women's rights, and calls for the implementation of the Transitional Justice Action Plan for Afghanistan adopted by the Afghan Cabinet in December 2005.

We are also supporting an emerging independent media -- 32 independent radio stations have been established and are broadcasting programs to 52% of the Afghan population. Forty thousand radios have been distributed to hard-to-reach populations including rural women. Our programs provided training to almost 2,000 media professionals. An example of the impact that this program is having is Salaam Watandar, a national radio production unit, which is now generating 75% of its operating expense from incoming revenue. Salaam Watandar supported the September 2005 parliamentary and provincial elections by providing nationwide, 24-hour radio coverage with accurate, fair and unbiased reporting. Many projects have focused on women, such as the development of Women's Resource Centers in 17 provincial capitals, where 8,200 women are being taught to read and write, of which 300 have qualified to date for further training as community healthcare workers or midwives.

Our commitment to a democratic Afghanistan is firm. The success of the Afghan people in laying the groundwork for a stable, constitutional and democratic government will have lasting implications for Afghanistan, for the region and for the United States.

ECONOMIC AND SOCIAL DEVELOPMENT

Afghanistan has made progress in developing and managing its financial resources and reconstruction funds. The USG will continue to encourage and assist the Government of Afghanistan to increase its domestic revenues, especially through improved border management and customs collection.

The U.S. supports the development of a vibrant private sector as an engine for growth in Afghanistan. A strong, growing private sector is needed to provide jobs, a sustainable source of government revenues, and a legitimate alternative to the narcotics economy. The Afghan government's commitment, set out in the interim Afghan National Development Strategy, to fight corruption, streamline regulatory and tax policy, maintain a stable macroeconomic environment, and develop a regulatory framework to support business and investment sets exactly the right agenda for attracting much needed private sector investment and spurring economic growth.

Afghanistan has already made great strides in this area. For example, the World Bank's new report "Doing Business in 2006" states that over the past year, Afghanistan has reduced the number of steps to start a business from 28 to one, and the time to complete that process from 90 days to seven.

The Government has established a relatively stable currency, worked to control inflation, and steadily advanced sound economic policy with new laws, development of the banking sector, customs and tax reform, and increasing government fiscal accountability. As a result of these reforms and sensible economic policies, the IMF estimates real Afghan GDP growth of 13.6% from 2005 to 2006, while Afghan exports are expected to increase from an estimated \$300 million last year to approximately \$500 million this year. Active sectors include construction, telecom, hotels/services, and new growth in agriculture.

Secretary Rice launched the "Businesses Building Bridges" (BBB) initiative in London which will partner high-profile U.S. business leaders with Afghanistan's private sector. The "Businesses Building Bridges" initiative will demonstrate the private sector commitment through training for Afghan entrepreneurs by the U.S. Trade and Development Agency (via a \$500,000 grant) and attract future foreign investment by helping to improve the Afghan investment climate and enhance commercial and economic linkages.

The Afghan government wants to ensure that international assistance resources are used in the most equitable and efficient manner throughout the country, and therefore wants to increase its role in managing these resources. We will work with the Afghan Government on mechanisms to ensure accountability, and are prepared to provide capacity building assistance to those ministries taking more control of project implementation.

With U.S. leadership, the international community is rebuilding war-torn Afghanistan piece-by-piece. In total the USG has reconstructed 1,195 km of secondary as well as national and provincial roads and 635 km of regional highway, for a sum of 1,830 km of roads nationwide.

Lack of infrastructure is also a real obstacle to economic growth. The U.S. is devoting significant resources to this issue, including by working with other donors on power transmission grids in the north and south. Refurbishment of two hydro-power units at Kajakai dam is also underway. The goals for infrastructure development set out in the interim Afghan National Development Strategy are ambitious, but important. Realistically, the costs of these infrastructure investments will exceed the ability of the Afghan government to finance for some time to come. Afghanistan will require donor involvement for at least several more years and expanded private sector investment in infrastructure.

Afghanistan has some of the lowest levels of literacy and worst health and mortality indicators in the world. In the interim Afghan National Development Strategy, the Afghan Government has set some ambitious goals for improvement in these areas. The Afghan strategy for education involves simultaneously improving the quality and expanding access to primary, secondary and higher education, while developing new vocational education programs. Teacher training is a limiting factor that merits particular attention. We have built or refurbished 477 schools and 454 clinics nationwide. Nearly 170,000 students are currently enrolled in school under the Accelerated Learning program and over 75,000 teachers have received initial or supplemental training under the same program. The U.S. Government has printed and distributed over 48.5 million textbooks throughout the countryside.

The health strategy has four main components: extending the basic health care package; improving access to hospitals; fighting communicable diseases; and developing the nation's healthcare workforce. In collaboration with the Ministry of Public Health (MoPH), USAID provides health services by working through community-based volunteer health workers at all levels in the health care system—from basic health centers at the village level to provincial hospitals. Over 7 million people in 14 provinces now have better access to quality health services. Approximately 70% of patients served are women and children. The U.S. has also supplied \$1.8 million worth of essential drugs since 2003. We also continue to work with the MoPH to

develop and advance policies and guidelines in diverse health areas such as basic health services, pharmaceutical standards, and emergency obstetrics care. In addition, the USG helps the MoPH to develop and maintain essential public health management systems.

We cannot ignore the importance of the regional context. Afghanistan's future economic growth and prosperity is contingent on successfully integrating with its neighbors. This means developing cross-border energy sources, regional trade zones, and transport links that extend from Central Asian centers to the warm water ports of Karachi and Gwadar. Afghanistan has already taken a number of steps to improve cooperation with its neighbors, including hosting a Regional Economic Conference this past December. We are encouraging Afghanistan's Central and South Asian neighbors to look for the mutual advantages that improving regional integration can bring.

Of note, in February 2006, the United States, Germany and Russia each made separate public statements regarding their intention to seek, through the Paris Club process, cancellation of all outstanding bilateral debt with Afghanistan accumulated prior to 2001, thereby removing a major impediment to the normalization of Afghanistan's economic relations with the rest of the world. Seeking debt relief through the Paris Club mechanism will also trigger debt cancellation from the multilateral institutions, and enable Afghanistan to move ahead on comparable debt relief agreements with its remaining bilateral creditors.

STRATEGIC PARTNERSHIP

On May 23, 2005, President Bush and President Karzai signed a joint declaration of the United States-Afghanistan Strategic Partnership. The strategic partnership's primary goal is to strengthen U.S.-Afghan ties to help ensure Afghanistan's long-term security, democracy, and prosperity. The Strategic Partnership, by providing specific elements for regular high-level exchanges and cooperation in the areas of rule of law, democracy, prosperity and security, illustrates in a very public fashion our continuing commitment to and support for the process of economic and political reconstruction of a viable, stable, moderate Islamic state in Afghanistan, and for the elected Afghan authorities who share that goal.

The first U.S. - Afghanistan consultation on Strategic Partnership will take place March 20-21 when there will be an opportunity for substantive discussion in three working groups focusing on Democracy and Governance, Prosperity, and Security.

CONCLUSION

The accomplishments in Afghanistan can be directly attributed to strong U.S. and international leadership and support to the courageous and determined Afghan people. At the end of this fiscal year our cumulative assistance will top \$10.3 billion. This assistance has helped Afghanistan reinforce its newfound stability while engendering much goodwill among the population who see the U.S. commitment to their country as more than just rhetoric. The London Conference on Afghanistan also demonstrated that the international community is maintaining its political, security and financial commitments to Afghanistan.

Our many achievements aside, Afghanistan has more work ahead. This includes taking the next steps necessary to create a sustainable secure environment, strengthen democratic institutions, educate its people, respect and enforce the rule of law and human rights, and develop relations with its neighbors.

We thank Congress for its past support on Afghanistan. With your future support, the United States will follow through on building security forces, strengthening democratic institutions, and reconstructing Afghanistan so that it is never again a haven for terrorists or a source of instability or oppression of its citizens. I would be glad to take your questions.